

TABLE 4

	Employer Participation			Provider/MCO Participation			Evaluation		
Organization	Voluntary	Incentives	Barriers	Voluntary	Incentives	Barriers	Yes/No	Findings	Available
NY State Dept. of Health	Yes	N/A	Employers must offer two MCOs in their county. (Some counties don't have any.)	Yes	Prospect of new business.	- Must comply with MC pilot legislation requirements. - MCOs not expected to profit. - Due to requirement of offering two MCOs, may have to offer a competitor's product.	Yes	Not available yet.	Final report due to legislature on June 15, 2000.
The Electrical Employees Self-Insurance Safety Plan	No. (Is negotiated between the union and the trade association.)	N/A	N/A	Part of the union's general health benefits agreement with the PPO.	N/A	N/A	Yes, (RWJ grant).	Not available yet.	In approx. three years.
UNITE	N/A	N/A	N/A	Yes	None	Workers' compensation paperwork is time-consuming.	Yes	Not available yet.	November, 1998.
Kentucky Department of Workers' Claims	Yes (although some insurers or self-insured groups mandate participation of their members).	Employers that participate in a managed care plan do not pay extra to meet the State UR requirement.	-Some employers think MC is a fad that'll go away. - Some carriers don't want to give up their UR decisions.	Yes	Not needed.	The MCOs need to provide case management, as well as medical care. (Some organizations partnered with another to meet that requirement.) A \$500,000 bond was required.	No (due to a lack of data and human resources)	The plans are reporting a reduction in costs of 16-25%.	Maybe next year.

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Work Comp Network	Yes	KY is a workers' choice state, but if employers enroll in a MC plan, they can direct care.	None	Yes	Provider organizations can share in the savings. (Also WCN wanted to have a MC program for their own employees' workplace injuries and illnesses.)	- Large amount of paperwork for certification. - \$500,000 performance bond. - Difficult to enter market; a couple of large insurance carriers involved.	No	A decrease in lost days.	In a couple of years.
HealthSouth Corporation	Yes	Evidence that indemnity costs will decrease and employee productivity will increase.	None	Yes	- They offer competitive salaries and a physician-friendly environment. - They have resources to collect data, do research, and engage in creative work.	N/A	Not yet.	None yet.	At the end of the year.
Health Insurance Plan of New York	Yes	With high costs and low benefits, employers are looking for ways to improve the workers' compensation system.	In order to contract with HIPNY, an employer must be licensed as self-insured.	N/A	N/A	N/A	No; it's too new.	One large client (a municipal government with 15,000 employees) seems very happy with the product.	They do not know when they will have reports available.

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Workers' Compensation Community Care Network (CCN)	Yes	Reduced costs, good care, and getting IWs back to work.	Insurance may discourage participation in the CompExcel program, because it takes power away from their claims examiners.	Yes	- Increase business - Feedback on performance - Educational opportunities	- The discounted fee schedule - Some may see participation in CompExcel as too complicated.	The CompExcel program is currently being evaluated.	- Employers appear to be satisfied because program is growing. - Employees seem to be satisfied because litigation rate has decreased from 40% to 2%. - Very little disability; IWs seem to be returning to work at the expected time. - CompExcel has demonstrated a 50% cost savings, in medical and indemnity savings.	Reports will be prepared in approximately six months.
Liberty Northwest, Health Plus	Yes	Quality	None	Yes	- Increased patient load. - Health Plus partners with doctor to provide support with RTW, disability mngmt., and case mngmt. - The providers get paid quickly.	None	Not yet.	They've gotten very positive feedback from employers, including a 100% renewal rate.	Unknown
CorVel Corporation	Yes, most participate voluntarily.	Significant reductions in costs and improved RTW timeframes.	Some employers fear employee dissatisfaction with being told where to do for care.	Yes	- Increased patient load - If they are at risk, they receive higher payments if they show improved outcomes, such as RTW timeframes.	- The reimbursement fees are discounted in the states that allow it. - In employee choice states, many providers do not understand CorVel's capability to channel IWs. - CorVel requires release to work within set parameters.	Yes. They have a quality assurance program for each product component.	- Employers and employees are "satisfied" to "very satisfied." - There has been a 27% reduction, attributable to the discounted fee schedule and shortened treatment duration. - Some customers have seen a reduction in attorney involvement and indemnity costs.	They do not know when they will publish their findings.

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PhyCor	N/A	N/A	N/A	N/A	N/A	N/A	Yes. They have a national strategy for collecting data.	Data are available from some clinics, but not pooled nationally. They will start data collection soon for WC treatment guidelines project.	In one year (for WC treatment guidelines project).
Intracorp	N/A	N/A	N/A	N/A	N/A	N/A	Yes. The evaluations were outsourced to private survey companies.	They have been rated “world class performance” on customer satisfaction. IWs tend to rate providers highly. The OHP program shows lower indemnity costs and less time loss. There has been a 22% reduction in the total average cost of claims.	Reports can be obtained from Sue Fazo at 215.761.7145.
Healthcare First	Yes	<ul style="list-style-type: none"> <li>- HF guarantees a reduction in employer loss experience.</li> <li>- HF emphasizes quality care and reducing costs.</li> </ul>	Some employers find the prices restrictive. (It is impossible to deliver the necessary quality services at discount rates.)	N/A	N/A	N/A	Yes	<ul style="list-style-type: none"> <li>- Employers are very happy.</li> <li>- Employees are very satisfied. (Access to specialty care is 50% faster through HF.)</li> <li>- 40% decrease in disability due to back injuries.</li> <li>- Lower average number of days out of work (20 v. 12).</li> <li>- Per unit, health care costs higher, but there is an overall reduction of 20% due to decreased intensity of care.</li> <li>- 20% savings in indemnity costs.</li> <li>- 10% reduction in injury frequency due to clients being more aware of WC issues.</li> </ul>	Reports not available to the public.

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Kaiser Permanente, Northern California Region				N/A (Group model HMO)	N/A	N/A	Yes	- increased employer and employee satisfaction - medical costs being tracked - plans to measure indemnity costs and disability	State Fund Alliance report (on one year's data) June, 1997.
Blue Cross of California	Yes	Early intervention, RTW, med mngmt, access to networks.	Could be overcome with resources, education.	Yes	Physicians want to increase their volumes.	Discounted fees.	No	- Anecdotal evidence of decrease in litigation. - saved 6-10% in medical costs. - saved 3.7 days of temporary disability for every case referred to care mngmt.	
California Department of Industrial Relations	Yes	- Increased ability to direct care. - Some MCOs' WC carriers offer premium discounts.	- WC costs have been decreasing. - Enrollment requirements are complex to administer.	Yes	Some providers see participation as a way to increase their volume.	Complex bureaucratic review procedures and cost of getting certified.	MCOs report data annually; no non-MCO data to compare.	- Employers are satisfied. - MCOs report cost savings but no comparative data and difficult to attribute to MC alone.	

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Johns Hopkins University	N/A	N/A	N/A	N/A	N/A	N/A	No	- Cost savings reported in published articles. - Subjective impression that JH-treated IW recover faster.	N/A
Duke University, Division of Occupational Medicine	Yes, not by contract but by sending IWs to the Duke clinics.	Employers who send IWs to Duke have developed relationships with the clinics.	N/A	N/A	N/A	N/A	No	No outcomes reported.	No firm plans to evaluate.
Colorado Compensation Insurance Authority	Yes	Lower premiums if certain criteria are met.	Lack of interest (mainly among very small employers) in trying to meet the criteria for lower premiums.	Yes	-Increased business -Case rating, cost sharing care under consideration.	None	Yes	- Program is less than a year old. - Improved communication has led to a more positive, less litigious working environment.	July, 1997 (first report).
Concentra Medical Centers	N/A	N/A	N/A	N/A	N/A	N/A	Yes	- Employers/employees satisfied except some dissatisfied with long wait times. - Functional outcomes compare favorably to natl. avg. - Disability previous above avg. - Costs below state & natl. averages -85% of their IWs return to work.	Anticipate article to be published in spring, 1998.
Ohio Bureau of Workers' Compensation	Required for state fund employers; voluntary for self-insured.	Opportunity to reduce costs through ADR and care mngmt.	For many SIs: cost of computer system and idea of reporting to BWC.	Yes	Monetary incentives for MCOs in the state fund program.	Provider preference not to work in WC system.	Yes	No results yet.	Late 1997 or early 1998.

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Minnesota Department of Labor & Industry	Yes	-Intense case mngmt. decreases inappropriate treatment. -MCOs are certified.	- Some want to continue with their “company docs.” - Larger employers have resources to implement their own MC plans.	Yes	Being certified has meaning to some and could be a selling point.	- Plans must have provider networks. - SI employers, insurers, and those with relationships to insurers cannot be certified MCOs.	Yes	- Three plans reported overall decrease in costs. -Not possible to measure some outcomes due to inconsistencies in how MCOs report UR results.	Unknown.
Humana Corporation	Yes	-Service. - Potential to reduce costs.	Some employers don’t want to be bothered educating employees and directing to network.	Yes	Business volume.	- Providers dislike WC work. -Providers don’t want to go through credentialing. - Resistance to MC	Yes	- Employers continue to renew contracts. - 85% of workers surveyed are very satisfied or satisfied.	More specific cost data in one year.
Milliman & Roberts	N/A	N/A	N/A	N/A	N/A	N/A	N/A	-Most employers are satisfied and more are interested in implementing new programs. - Employee satisfaction has increased because they are getting better care. - Indemnity costs have decreased somewhat; but there is potential for significantly greater savings, as demonstrated by 1993 Florida pilot.	N/A
Center to Protect Workers’ Rights	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Programs should measure injury rates, RTW, satisfaction, costs.	N/A
Nat. AFL-CIO	N/A	N/A	N/A	N/A	N/A	N/A	N/A	He expressed concern that there are no really good measures of cost savings. The Florida study, in particular, was inadequate and “intellectually limited.”	N/A